



# OFFICE OF AUDITOR OF STATE

STATE OF IOWA

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

## NEWS RELEASE

Contact: Tami Kusian  
515/281-5834  
or Warren Jenkins  
515/281-5835

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The Office of Auditor of State today released a report on a special investigation of the City of Indianola. The report covers the period June 1, 2006 through August 31, 2012. The special investigation was performed as a result of concerns regarding the amounts billed to the City by John Hoyman. Mr. Hoyman was hired by the City in 1986 as the City Attorney and represented the City and the Indianola Municipal Utilities (IMU) as general legal counsel. Concerns about the billing submitted by Mr. Hoyman for services provided during August 2012 were identified by the City's administrative staff and representatives of the Police Department.

The special investigation identified improper invoices from Mr. Hoyman for services which resulted in the City being over-billed \$90,839.50. Improper invoices submitted by Mr. Hoyman for the period June 1, 2006 through July 31, 2012 included inaccurate information regarding prosecution services provided by Mr. Hoyman which resulted in an estimated \$81,130.00 of over-billings. Some invoices were identified which also included hourly charges for legal services which were covered by the monthly retainers paid by the City and IMU. The additional hourly charges resulted in \$9,709.50 of over-billings.

During an interview with Iowa Division of Criminal Investigation officials, Mr. Hoyman admitted he falsified monthly invoices to the City for prosecution services. By comparing the invoices submitted by Mr. Hoyman to records from the Warren County Clerk of Court, Indianola Police Department and online Court records, the amount overbilled to the City was estimated to be \$81,250.00 for prosecutions from June 1, 2006 through July 31, 2012. The procedures identified the August 2012 invoice from Mr. Hoyman contained overbillings. However, the City did not pay the August 2012 invoice.

Copies of the report have been filed with the Indianola Police Department, the Warren County Attorney's Office, the Attorney General's Office and the Division of Criminal Investigation. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/specials/1220-0873-TE00.pdf>.

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